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OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
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Office

H.B. 546
133rd General Assembly

Fiscal Note & Local Impact Statement

[Click here for H.B. 546's Bill Analysis](#)

Version: As Introduced

Primary Sponsors: Reps. J. Miller and Weinstein

Local Impact Statement Procedure Required: Yes

Eric Makela, Economist

Highlights

Fund	FY 2021	FY 2022	Future Years
Highway Operating Fund (Fund 7002)			
Revenues	Loss of \$1.4 million	Loss of \$6.0 million	Annual revenue losses increase up to 4.0% per year
Gasoline Excise Tax Fund (Fund 7060)			
Revenues	Loss of \$1.1 million	Loss of \$4.9 million	Annual revenue losses increase up to 4.0% per year

- The bill reduces the additional registration fees for hybrid motor vehicles (HMV) and plug-in electric motor vehicles (PEMV) by 50%. Upon registering vehicles, HMV owners will pay an additional \$50 registration fee (currently \$100); PEMV owners will pay an additional \$100 registration fee (currently \$200).
- Vehicle registration revenue is shared between the Highway Operating Fund (55%) and the Gasoline Excise Tax Fund (45%). Revenue losses to the Highway Operating Fund are to be around \$6.0 million in the first full fiscal year, while revenue losses to the Gasoline Excise Tax Fund are to be around \$4.9 million.
- Revenue from these fees deposited into the Gasoline Excise Tax Fund is distributed to counties (37.14%), municipalities (42.86%), and townships (20%) statewide.

Detailed Analysis

The bill reduces the additional registration fees that must be paid for hybrid motor vehicles (HMTVs) and plug-in electric motor vehicles (PEMTVs). H.B. 62 of the 133rd General Assembly imposed a three-tier fee structure on vehicle registrations. Under that bill, an additional \$200 fee was required for each PEMTV registration, and an additional \$100 fee was required for each HMTV registration. H.B. 546 reduces the fee amounts to \$100 and \$50, respectively. The fees are in addition to the current registration rates set for vehicles with only combustion engines.

The bill also alters the definitions of HMTVs and PEMTVs. Specifically, the bill reclassifies a certain type of motor vehicle – ones that have internal combustion engines and battery cell energy systems that have the capacity for external charging – from PEMTV to HMTV. Vehicles that do not have an internal combustion engine and require charging via an external plug-in are still classified as PEMTVs. Those that have a battery cell energy system that cannot be recharged via external charging but can be recharged by other vehicle mechanisms that capture and store electric energy are still classified as HMTVs.

Vehicle registration fees are remitted to the Treasurer of State (TOS). H.B. 546 is estimated to reduce registration fee revenue by around \$2.5 million in FY 2021 and by around \$10.9 million in FY 2022. This estimate assumes the bill's provisions become effective on April 1, 2021. Vehicle registration fees are transferred to a pool of transportation user fee moneys within TOS. Of the reduction in fees, 55% would have been transferred to the Highway Operating Fund and 45% would have been transferred to the Gasoline Excise Tax Fund. The Highway Operating Fund generally supports the activities of the Ohio Department of Transportation (ODOT), while registration fee distributions to the Gasoline Excise Tax Fund are distributed to political subdivisions. The reduction in revenue to the Gasoline Excise Tax Fund from these fees would reduce revenue to counties (37.14%), municipalities (42.86%), and townships (20%), statewide.